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FEDERAL COMMUNICATIONS COMMISSION RELEASES DATA ON LOCAL TELEPHONE COMPETITION

New Entrant Switched Access Lines Climbed to 17.3 Million as of June 30, 2001

Washington, D.C. – The Federal Communications Commission (FCC) today released summary statistics of its latest data on local telephone service competition in the United States. Telecommunications service providers file data on lines in service to end-user customers and state-specific mobile wireless telephone subscribers twice a year in the Commission's local competition and broadband data gathering program (FCC Form 477).

Statistics released today summarize FCC Form 477 filings made by qualifying providers on September 1, 2001, and reflect data as of June 30, 2001. Revenue information about all segments of the telecommunications industry is submitted pursuant to the Commission's consolidated Telecommunications Reporting Worksheet (FCC Form 499-A). The revenue statistics reflect data for the year 2000.

Noteworthy data include:

- Competitive local exchange carriers (CLECs) reported 17.3 million (or 9.0%) of the approximately 192 million nationwide switched access lines in service at the end of June 2001, compared to 14.9 million (or 7.7% of nationwide lines) at the end of the preceding year. This represents a 16% growth in CLEC market size during the first six months of 2001.
- About 55% of reported CLEC switched access lines served medium and large business, institutional, and government customers. By contrast, a reported 23% of incumbent local exchange carrier (ILEC) lines served such customers.
- CLECs served 5.5% of the residential and small business market, compared to 4.5% for the six-month period of January 2001-June 2001, or 3.2% for the year ago period.
- CLECs reported providing about one-third of switched access lines over their own local loop facilities, 23% by means of resold ILEC services, and 44% over acquired unbundled network element (UNE) loops. ILECs reported providing almost 8 million UNE loops to other carriers, of which about 3.2 million were provided without switching and about 4.8 million with switching

- At least one CLEC was serving local telephone service end-user customers in 60% of the nation's zip codes at the end of June 2001. Just over 90% of United States households reside in these zip codes. CLECs reported customers in the District of Columbia, in Puerto Rico, and in all states except Delaware.
- The 72 providers of mobile wireless telephone services that reported data as of June 30, 2001 served about 114 million subscribers.
- Local service revenues reported by competitors to the ILECs increased by 70% between 1999 and 2000 -- from \$6.3 billion to \$10.7 billion. The share of local service revenues claimed by competitors rose from 5.8% in 1999 to 8.9% in 2000.

The Commission is currently looking to provide a greater examination of data from various platform providers – such as wireless, satellite and cable – and its subsequent Local Competition Reports will include data from these multiple platform providers.

As additional information becomes available, it will be routinely posted on the Commission's Internet site.

The statistical summary is available in the FCC's Reference Information Center, Courtyard Level, 445 12th Street, S.W. Copies may be purchased from the Commission's duplicating contractor, Qualex International, Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C., telephone 202-863-2893, facsimile 202-863-2898, or via e-mail qualexint@aol.com. The statistical summary can also be downloaded from the **FCC-State Link** Internet site at www.fcc.gov/ceb/stats.

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